

I. General

1. **The following General Terms and Conditions of Business for Contracted Processing of ACU PHARMA und CHEMIE GmbH ("ACU") shall exclusively apply as a supplement to individual agreements stipulated in all offers, order confirmations and contractual agreements. The customer's terms and conditions deviating here from are expressly contradicted. They shall only become an integral part of the agreement if they are expressly acknowledged by ACU in writing.**
2. Amendments to existing agreements and side-agreements shall only become binding upon written confirmation by ACU.

II. Offer and acceptance, minimum information

1. Our offers are non-binding and shall be subject to change without notice. All orders placed by the customer shall only become binding with written acceptance by ACU.
2. The same shall apply to follow-up orders. They shall require a written confirmation by ACU in order to become effective.
3. When placing the order, the customer undertakes to include all statements necessary for the due performance of the order in writing, for example safety requirements and data, including the dust explosion class of the materials and raw materials necessary for the performance of the order (together: "base materials"). In particular, ACU shall be unambiguously and completely notified of all hazard warnings, protective measures or other product properties related to a safe handling without specific request. Where a safety data sheet has to be produced by law, it shall be provided to ACU without specific request with the other necessary safety information. All and any changes to safety data shall be notified to ACU by the customer in writing immediately so that ACU can take them into account in the performance of the contracted services.

III. General scope of performance

1. Unless expressly agreed to the contrary in writing, the base materials and packagings necessary for the due performance of the contracted services shall be provided by the customer. This shall include base materials and packagings which ACU or a third party provides by order and in the name and on behalf of the customer.
2. At no time does ACU assure that the product processed according to the order ("contractual product") is suitable for the use intended by the customer. The responsibility for the release of the product for placement on the market is exclusively with the customer.
3. Before the customer places the contractual product on the market, it shall be obliged to examine whether safety data of a processed product has changed, according to, as applicable, the German Product Liability Act (Produkthaftungsgesetz), German Hazardous Goods Ordinance (Gefahrstoffverordnung), Regulation (EC) no. 1907/2006 (REACH), Regulation (EU) no. 528/2012 (Biocidal Product Regulation), Regulation (EC) no. 1272/2008 (CLP) and all and any further applicable laws.
4. The customer guarantees (*garantiert*) that no new substances within the meaning of REACH originate as a result of the performance of the commissioned services and shall indemnify and hold harmless ACU to this extent against all claims at first request.

IV. Supply of provisions, incoming goods inspection, bearing of risk for storage, insurance

1. ACU is not obliged to examine the base materials and packagings (collectively "provisions") provided by the customer itself or by third parties on customer's behalf for compliance with the product properties agreed or reasonably expected on the part of the customer or customarily to be expected or their processability. With the exception of the suitability of the ACU production line, the examination shall be the sole responsibility of the customer. In the exceptional case of procurement of the base materials and/or packagings by ACU in its own name, ACU warrants (*gewährleistet*) that the agreed specifications exist at the time of delivery of the base materials and packaging to ACU.
2. The customer shall in particular ensure that the provisions do not contain any particles or other contaminations.
3. The checks of the incoming base materials and packagings by ACU shall be limited to obvious transport damage, verification of the number of individual packages and examination of the freight documents against the material designations stated on the packagings – irrespective of a procurement obligation individually agreed.
4. Individual weighings upon receipt of the base materials to be processed by ACU are not conducted in principle. If the customer wishes a control of quantity, weight or quality, this shall be agreed in advance in writing. The costs incurred for this shall be borne by the customer.
5. ACU shall be exempted from laboratory examinations of any kind, unless expressly agreed otherwise in writing. Respective costs shall be borne by the customer.
6. Liability of ACU for accidental loss or damage to the provisions during ACU's time of possession shall be excluded. The customer shall indemnify

and hold harmless ACU from any liability resulting from the storage of the provisions from the time of delivery to ACU until dispatch to the freight forwarder collecting them, unless culpably caused by ACU.

7. Property damage insurance of the provisions against accidental damage, destruction, deterioration or other loss shall be for the sole account of the customer. Property damage insurance of the goods shall only be procured by ACU following prior express written agreement with the customer and at the customer's expense.

V. Packaging

ACU is not obliged to examine containers and other packaging provided by the customer for suitability – in particular cleanliness. ACU shall not be liable for damage or defects originating as a result of the customer's damaged or otherwise insufficient containers or other packaging.

VI. Labelling

1. In the case of labelling services by ACU expressly agreed in writing, labels shall be provided by the customer in good time in a sufficient quantity, including the attachment and design instructions, to the extent not expressly agreed to the contrary.
2. ACU does not examine the labels or attachment instructions for their accuracy or completeness and shall therefore not be liable for any defects in the labels or their attachment.

VII. Settlement basis of the contracted services

1. The prices stated in the order confirmation relate to the product properties of the base materials underlying the quotation or order confirmation, independent of whether they are provided by the customer or procured by ACU.
2. In the event of deviations of the product or processing properties of both the base materials to be processed and the processed contractual products compared to those properties expressly agreed or typically to be expected as underlying the quotation, ACU reserves the right for a reasonable price adaptation. This shall apply for example to deviations from the contractually required particle size of the base materials customer or the contractual crushing or flow properties, each to be ensured by the customer. The customer will be informed in due course upon recognition of any such deviations by ACU. ACU shall at all times remain free to cease the processing or to make an offer to the customer, taking the changed framework/processing conditions into due account. If the reasonable price adaptations are not accepted by the customer, ACU shall have the right to stop the processing and to terminate the contract with immediate effect. The costs incurred by ACU as a result of the cessation/stop of the commissioned processing shall be borne by the customer.
3. In addition, where the job is the result of a new order (first micronization of a base material or of a combination of base materials on a certain production lines at ACU), or, in case of subsequent orders, impossibility of processing is not based on a breach of duties by ACU, ACU shall be authorised to cease the processing if the agreed contractual products cannot be achieved on ACU's production lines. In the event of such a cessation of the processing, the following pricing shall apply: 50 % of the order value (= contract value, net without value added tax) shall be used as a base price. This base price shall be paid by the customer. In addition, the service rendered by ACU prior to the cessation will be added according to the contractual price per unit. Other agreed services shall be rendered as agreed, charged and paid by the customer.
4. In the event of early cessation before reaching the total contractual quantity, or in the event of cancellation in full or in part of the order by the customer, the following pricing shall apply: 50 % of the order value (= contract value, net without value added tax) shall be used as a base price. This base price shall be paid by the customer. In addition, the service rendered by ACU prior to the cessation shall be added according to the contractual price per unit. Other agreed services shall be rendered as agreed, charged and be paid by the customer.

VIII. Delivery dates, downtimes, interruptions of the processing processes

1. The delivery dates notified by the customer shall be non-binding, unless the contracting parties have agreed on a binding delivery date in writing. Contractually agreed delivery dates shall be subject to punctual, complete and defect-free supply of the provisions.
2. Customer shall be liable for any downtimes of the production system(s) as a result of delayed provisions or unexpected product properties of the provisions of the customer.
3. The earliest date for the dedication of the production system(s) shall be the last delivery date determined by the contractor for the provisions plus one working day.
4. Reservation of the production system(s) may be agreed against consideration of adequate compensation of the downtimes respectively.

5. Downtimes caused by breach of duty by the customer shall be charged for the period of dedication of the production system(s) or for the duration of an interruption until the end of the standstill, as the case may be, at an hourly rate of EUR 245.00 net plus VAT per production system, unless expressly agreed otherwise, on the basis of a weekly operational time from Sunday 10 p.m. to Friday 10 p.m. (= 120 operating hours per week) exclusive of public holidays.
6. Cases of force majeure totally or partly preventing the parties from performing their duties shall release the party in question from performance of this agreement until the force majeure event has ceased. The party affected by or reasonably assuming to be affected by a force majeure event shall inform the other party immediately of the occurrence, the cause of the delay, the prospective duration and later about its ending. Events of force majeure shall for example be restrictions or directions from any government or governmental body or other authority of a civilian or military nature, allocations of fuel and materials, shortage of fuel, accidents, unlawful acts by third parties, earthquakes, floods, fire, explosion, epidemics, vandalism or sabotage, civil unrest, rebellions, civil unrests, wars or warlike conditions, shipwrecks, strikes, trade embargos, lock-outs and other interruptions of production and transport, loss of existing sources of purchase, lack of materials and other reasons beyond the parties' reasonable control, preventing the parties from partial or total performance of their contractual obligations for a period equivalent to the force majeure event. If the force majeure event lasts without interruption for a period of two (2) weeks or longer, both parties shall endeavour to come to an agreement on the further handling of the contract. If the parties cannot come to a mutual agreement, both parties shall be entitled to terminate the agreement in writing with a further two (2) weeks' notice. If the force majeure event has lapsed during this time, the termination notice shall be deemed withdrawn and the contracted services shall be rendered until complete fulfilment. In the event of binding delivery dates, the service shall be deemed rendered in good time with additional consideration of the period of force majeure.

IX. In-process controls, analyses, incoming goods inspection by the customer

1. ACU conducts production monitoring pursuant to EN ISO 9001:2015.
2. In-process controls or examinations defined by the customer shall be subject to express agreement at the conclusion of the contract. The costs incurred shall be borne by the customer.
3. The controls conducted by ACU shall not release the customer from its comprehensive incoming goods inspection following delivery by ACU. Obvious defects or which can reasonably be established by an examination of the specifications of the contractual products or other commissioned services shall be notified in writing to ACU without undue delay, however no later than two (2) weeks following delivery to the customer, in the case of direct shipments to customer's customers within two (2) weeks of delivery to these customers, however in any case before use for further processing and/or forwarding to third parties. Hidden defects shall be notified to ACU in writing without undue delay following discovery, in any case no later than two (2) weeks after their discovery. If the customer fails to notify in good time, the commissioned performance shall be deemed defect-free and approved.
4. Compliance with the agreed target particle size or other agreed properties of the contractual products will be determined by ACU by in-process controls during and immediately after the processing by spot checks. The same applies to the determination of other quality parameters contractually agreed. Subject to express agreement to the contrary, a right for customer to claim in-process controls shall not exist.

X. Warranty

1. All consultancy and information from ACU about processing and application possibilities with a view to micronization services or other processing of base materials or other services are given to the best of our knowledge. Unless it has expressly been agreed in writing as a binding part of the commissioned service, ACU does not warrant the accuracy and completeness of the information rendered.
2. In the event of base materials changing during or after the processing, ACU shall assume no responsibility for example if the initial materials agglomerate during or after the processing or if the initial materials stick to or flake off the tubes of the production system(s) during the processing, unless and to the extent culpably caused by ACU. The same shall apply to process-induced, inevitable and tolerable losses of weight and changes in quality of the initial materials as a result of processing through no fault of ACU.
3. ACU assumes liability for the commissioned services such that results which can be substantially proven not to fulfil the agreed specifications or other agreed parameters, for example the particle size, may at ACU's sole discretion be reworked at its own expense or replaced or otherwise

remedied in case of other services owed. If subsequent performance is not possible in ACU's sole discretion, ACU will reimburse the equivalent in cash within the general limitations of liability of Section XII.

4. ACU points out that minor residues, which are technically unavoidable, remain in the systems and appliances during a grinding process. The customer must expect a loss of raw materials as follows: for base materials of a) more than five (5) tons, up to 1 % of the product quantity, b) more than 500 kg up to five (5) tons, up to 5% of the production quantity, and c) up to 500 kg, up to 10% of the production quantity. The customer cannot derive any claims from deviations in quantity within these tolerances.

XI. Delivery

1. Unless expressly agreed otherwise, deliveries of provisions shall be made DDP Am tiefen Graben 6, 99510 Apolda, Germany (Incoterms 2010) and collection of the contractual products EXW ibid (Incoterms 2010).
2. Immediately after completion of the contractual products processing, ACU will notify the customer in writing of their readiness for delivery. Unless expressly agreed otherwise, the contractual products shall be collected within four (4) days of the notification of readiness for delivery. It will be handed to the haulier against presentation of a collection commission.
3. In the event of supply agreements deviating from Section XI.1, all identification and safety requirements necessary for transport shall be complied with and notified to ACU before the latter takes over the goods. To the extent that accompanying safety data sheets, labels and trencards and other accident leaflets are required, they shall be provided by the customer sufficiently prior to the transport with precise instructions, even if not specifically requested by ACU. The customer shall be responsible for any incorrect marking by ACU as a result of inaccurate or incomplete information or documents and shall indemnify and hold harmless ACU to this extent against all claims by third parties at first request.
4. If dispatched contractual products are not collected in good time, the customer shall pay a charge for the further storage of such contractual products in the amount of EUR 7.00 per pallet per commenced week, or further costs incurred due to a necessary storage with third parties. To the extent not expressly regulated to the contrary in the contract, "in good time" within the meaning of this Section XI.4 shall mean four (4) working days following notification of the completion of the contractual product(s).

XII. Liability

1. Claims by the customer for irrelevant defects shall be excluded. Irrelevant defects shall be assumed such as but not limited to if the value or the usefulness for a customary use has only been inconsiderably reduced. Subsequent performance shall be excluded in cases where commercially unreasonable for ACU. If the rectification or replacement delivery fails, a reasonable abatement of the prices paid, or cancellation of the contract shall be at the customer's choice. Where claims against third parties exist, the customer may demand that claims against it are only made subject to and following unsuccessful judicial claims against the third party.
2. The customer's claims for defective delivery shall be barred within one year after delivery of the contractual products or rendering of other commissioned services to the intended consignee.
3. Regardless of the legal reason for the claim, ACU shall only be liable in the event of a breach of a duty which is material to the contract. Said liability shall be limited to the extent of the damage which ACU should have typically expected on conclusion of the contract given the circumstances known at that time. The typically foreseeable damage shall be the value of the goods which the customer has complained about.
4. Any claims for damages due to wilful intent or gross negligence on the part of ACU, the culpable violation of a duty which is material to the contract in a manner which jeopardises the achievement of the purpose of the contract (cardinal obligation), due to the product liability law, due to the assumption of a warranty or due to injury to life and limb or health shall not be limited or excluded by the above-mentioned provisions.
5. ACU shall not be liable for the suitability of the goods for the purpose intended by the customer unless the intended purpose has been laid down in writing as part of the contract contents. The use of a product is the sole responsibility of the customer. If ACU gives application-specific advice, information or recommendations, such advice, information or recommendations are given or made on the basis of information, samples or test series provided by the customer. The accuracy as regards contents and completeness of such information is not checked by ACU for accuracy and completeness and is the sole responsibility of the cus-

tomers. ACU shall only be liable in the event of wilful intent or gross negligence in the giving of written advice.

6. To the extent that claims to damages and/or reimbursement of expenditure accrue to ACU as a result of incomplete or incorrect information provided by customer, they shall exclusively be customer's account. This shall also apply to third-party claims. The customer shall be liable for all damage resulting from incomplete, defective or missing information.
7. If, during production, damage occurs to machines or other property of ACU necessary for performance of the confirmed order, and it can be proven that it was caused by the customer because, for example, particles are found in the materials used, the customer undertakes to reimburse the damages incurred by ACU.

XIII. Payment terms, offset

1. Our invoices are payable in cash, without any deductions, immediately upon receipt.
2. Payment shall only be deemed to have been made when ACU can dispose of the amount.
3. Without a written power of attorney, ACU's employees shall not be entitled to accept payments or any other dispositions.
4. The customer shall only be entitled to offset or to withhold payment if the counterclaims have been established as final and absolute, are ready for judgement or are undisputed.
5. Invoicing will be effected on the date of the reported dispatch of the contractual products. For partial deliveries, the corresponding part quantities shall be charged.
6. ACU reserves the right at any time to change to advance payment in the event of arrears in payments and/or to postpone further performance of an order until full payment of all open claims.

XIV. Arrears, doubts about creditworthiness

1. In case of arrears of payment, all rebates, discounts and other benefits which have been granted shall be forfeited. In the event of delayed payment, ACU will charge default interest at the statutory rate and reserves the right to claim further damages.
2. If the customer fails to comply with its payment obligations, in particular ceases its payments, or if other circumstances become known to ACU questioning the customer's creditworthiness, ACU shall be entitled to render the entire remaining debt due for payment; ACU shall additionally be entitled to demand advance payments or collateral; ACU can further partly or totally withhold or reject further services not only from the contract in question, but also from other contracts and demand immediate cash payment for all services.

XV. Customs and import payments, other dues

If expressly agreed that ACU bears charges for customs, tariffs, other imports and exports charges, port fees or similar, increases in such charges taking effect between the order confirmation and the delivery of the goods shall be charged to the customer.

XVI. Intellectual property

1. For the duration of the commissioned services, the customer grants ACU a royalty-free, non-exclusive right of use to all intellectual property rights necessary for the rendering of the service. ACU will not attack the existence of the customer's or other licensees' intellectual property nor support such attacks and also not derive any rights against the customer from their use.
2. ACU shall in its own discretion support the customer in the defence of intellectual property rights. Any costs related to a support by ACU shall be borne by customer. Further, ACU shall inform the customer to the extent that ACU obtains knowledge of a breach of one of the aforementioned rights.
3. The customer guarantees not having knowledge of a breach of third parties' intellectual property rights by the contractual products. Insofar as claims are nevertheless made against ACU by third parties alleging a breach of the aforementioned rights, the customer shall indemnify and hold harmless ACU at first request against all claims and costs connected therewith.

XVII. Data storage

ACU, abiding by the applicable data protection legislation, stores personal data of its customers possibly compiled in the course of its business relationship, and, if and to the extent necessary, transfers such data to its affiliated companies having a need-to-know for the sole purpose of executing the agreement.

XVIII. Prohibition of assignment

The customer may only assign, pledge or otherwise dispose of claims against ACU to which the customer is entitled with ACU's consent.

XIX. Choice of law, place of performance, place of jurisdiction

1. The terms of the order confirmation from ACU and these general terms and conditions of business for commissioned processing, as well as the applicable provisions of German law shall be deemed foundations of the contract. In the event of contradictions between them, the sources shall apply in the aforementioned order.
2. Subject to separate individual agreements, the entire contractual relationship shall be governed by German law, without its conflict-of-laws principles and, as applicable, under the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
3. Place of performance for the rendering of the commissioned services and payments is Apolda, Germany.
4. Exclusive place of jurisdiction is Erfurt, Germany. Notwithstanding, ACU may bring an action to the competent courts at customer's principle place of business.